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KERR-McGEE CHEMICAL CORPORATION

KERR-McGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

August 25, 1995

EPA Region 5 Records Ctr.



226860

Mr. Joseph G. Klinger
Head, Licensing Section
Division of Radioactive Materials
Department of Nuclear Safety
1035 Outer Park Drive
Springfield IL 62704

Subject: Classification of Radioactive
Material at Lindsay Light II

Dear Mr. Klinger:

Kerr-McGee Chemical Corporation (KMCC) wishes to inform the Illinois Department of Nuclear Safety (IDNS) that additional information has been obtained which we believe supports reclassification of the materials associated with the Lindsay Light II site located at 316 East Illinois Street in Chicago, Illinois from "source" material to 11(e)2 "by-product" material.

The IDNS, in a letter dated August 27, 1993, to Mr. Rick Karl at Region 5 of the U.S. Environmental Protection Agency (EPA), recommended that the material at the 316 East Illinois location be classified as "source" material. In this letter the IDNS stated (1) that this classification was based on careful review of very limited information available at that time and (2) that the IDNS would inform the EPA if further information was obtained which altered this recommendation.

On December 9, 1993, Region 5 of the EPA, under Section 104(e) of CERCLA, requested KMCC to provide information concerning the Lindsay Light II site. In order to reply to this request, KMCC reviewed Lindsay Light Company records including board meeting minutes. This review has led us to the conclusion that a monazite processing operation was located on the Lindsay Light II site. Some excerpts and specific notations from Lindsay's meeting minutes (copies enclosed) follow:

a. September 8, 1914

The Board resolves to rent the building at 316-322 East Illinois Street from Chicago Dock & Canal Trust for manufacturing purposes for the period 1/1/15 through 4/30/20.

US0845111

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- b. September 9, 1922
The Chairman tells the board that the lease on the "monazite refinery" on Illinois Street expires on 4/30/23. (No minutes could be found which mentioned the renewal of the lease on the 316 East Illinois Street building after the original expiration date of 4/30/20).
- c. March 9, 1923
The Board resolved to renew the lease for the "chemical plant" at 316 E. Illinois Street for another year, through 4/30/24.
- d. March 18, 1924
The Board resolved to extend the lease on the "monazite plant" for another two years, through 4/30/26. (Presumed to be the building at 316 East Illinois Street, based on the expiration time for the previous lease and the fact that Lindsay "owned" the gas mantle plant and office facility at 161 East Grand Avenue).
- e. November 24, 1925
C. R. Lindsay, in a written report to the Board, discussed obtaining a contract for a by-product from Lindsay's Monazite Sand. He stated, "This will enable us to keep our Refinery going from now on at 100% increase in capacity for a year and a half. I therefore renewed our lease on the Illinois Street property for one year to May 1, 1927."
- f. July 18, 1929
"The question of securing a new lease for the Chemical Plant after the present one runs out which expires May 1931 was brought up by Mr. Lindsay, Jr., and thoroughly discussed by the Directors. It was finally moved by Mr. Beste, seconded by Mr. Stabenau, and unanimously passed that a new lease be secured not to exceed two years in duration."
- g. December 22, 1931
The Board discussed how to balance production between the West Chicago and Illinois Street plants. (They agreed to phase out production at the Illinois Street plant by transferring physical equipment to West Chicago).

Although some Board Meeting Notes were missing in the documents obtained from Chicago Dock & Canal Trust, KMCC feels that those summarized above and enclosed herewith provide sufficient proof that 316 E. Illinois Street housed Lindsay's monazite refinery. KMCC therefore requests that the IDNS reclassify the associated material from "source" to 11(e)2 "by-product" material and inform Region 5 of the EPA of this change.

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Please direct any questions concerning this request to me by calling (405) 270-2671 or by writing to me at the above address.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. A. Thompson". The signature is fluid and cursive, with the first name "R." and last name "Thompson" clearly distinguishable.

R. A. Thompson
Project Manager

Enclosures

cc: C. R. Gardner, Chicago Dock & Canal Trust
R. A. Meserve, Covington & Burling
V. Simon, OSC, U.S. EPA
W. O. Green
M. S. Krippel
J. D. White
File CD 1.4-3

US0845113

The regular meeting of BOARD OF DIRECTORS held in the office of Lindsay Light Company, 161 East Grand Avenue, Chicago, Illinois, September 8th, 1914, four P. M.

There were present:

Chas. R. Lindsay, Jr.
George P. Gilman,
Jos. M. Sherburne

Same being a majority of the directors of Lindsay Light Company.

Chas. R. Lindsay, Jr. in the chair.

The following resolution was adopted:

Resolved that Lindsay Light Company rent building #316 to #322 Illinois Street, Chicago, for manufacturing purposes necessary to this business for a period of five years and four months beginning from January 1st, 1915 to April 30th, 1920 at \$150.00 a month, this building to be rented from The Chicago & Canal Company as per their lease September 3rd, 1914.

There being no further business before the meeting, it was adjourned.


SECRETARY.



JOS. M. SHERBURNE, PRESIDENT.
HERBERT N. MCCOY, VICE PRES.
OTTO N. BERNOT, SECY & TREAS.

Lindsay Light Company

Chicago

September 9, 1922.

To the Stockholders of

Lindsay Light Company:

Enclosed herewith is a formal notice and blank proxy relative to the special meeting of our stockholders to be held on September 20th, 1922.

Your Directors feel that an explanation is proper at this time as to the reason why it is desired to increase our capital stock.

The real estate and buildings carried on our books at \$146,955.76, have recently been appraised and show a replacement value of over \$200,000.00. The Directors and the Officers of this Company have realized that this property which they now occupy is far too valuable for manufacturing gas mantles. The lease on the monazite refinery which we occupy on Illinois Street expires April 30th, 1923. *

We all feel that the time has now arrived when arrangements should be made to get into a location where the entire operations of this business might be concentrated and operated with greater economy. It would seem to us unwise to go into new property with the investment that would be required if it were possible to take over a property engaged in this kind of business adapted to our needs.

Because of the above reasons we have concluded that our interests would be best served by completing negotiations which have been carried on for some time. This \$200,000.00 increase in Preferred Capital Stock of this Company is to be used toward acquiring the manufacturing property of the Block Gas Mantle Company of Youngstown, Ohio, if the deal, as now planned, can be consummated, which consists of approximately three acres of land, exceedingly well located for shipping facilities, etc. Of course, if for any reason the deal cannot be consummated as now planned, the capital stock will not be increased or the stock will not be issued at this time.

Your Officers and Directors have investigated the value of the property to be acquired very carefully and are of the opinion that it is reasonably worth considerably in excess of the par value of the Lindsay Preferred Stock to be issued in exchange therefor.

We believe it is an economic move of considerable value and will tend to increase the earnings and the value of the stock of the Lindsay Light Company.

For the reasons above stated your Directors and Officers believe this move an exceedingly wise one and we hope that you will send in your proxy at once.

Yours very truly,

JOS. M. SHERBURNE,
President.

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Minutes of the Special Meeting of the Board of Directors of the Lindsay Light Company held in lieu of the February regular meeting on March 9, 1923, at the Old Colony Club at the hour of 1:00 p.m.

The meeting was called to order by Mr. Jos. M. Sherburne, the President of the Company, who acted as Chairman of the meeting, and the Secretary of the Company, Mr. Otto N. Berndt, acted as Secretary of the meeting.

Five of the Directors were present, namely;-

Mr. Jos. M. Sherburne
Mr. H. N. McCoy
Mr. O. N. Berndt
Mr. R. E. Wilsey
Mr. H. C. Beste

Same being five Directors of the Lindsay Light Company, thereby constituting a quorum.

The first order of business was the taking up of the renewal of leases. Upon motion duly made by H. N. McCoy, seconded by H. C. Beste, and unanimously approved, it was decided to renew our lease for our chemical plant at 316 E. Illinois St., for the same terms and conditions at the same rental for another year, which will make our term of occupancy expire April 30, 1924. 

Thereupon motion duly made by Mr. R. E. Wilsey, seconded by H. N. McCoy, and unanimously approved, it was decided to renew the lease of our New York office at 91 Chambers Street, for a period of one year at a rental of \$3500 per year. It was pointed out by the President that inasmuch as the New York office had sub-leased a loft at an annual rental of \$900 and as the rental mentioned above showed a saving of \$500 over the previous rental, the total net saving to the New York Department amounts to \$1400, making the net cost for rental of our New York office \$2600 annually.

Thereupon ensued a discussion upon the Thorium contracts which Mr. Sherburne has been negotiating with The Coleman Lamp Company, of Wicksburg, and The Block Gas Mantle Company, of Youngstown. It was regularly moved by Mr. R. E. Wilsey, seconded by H. C. Beste, and unanimously approved by all present, that the contracts as tentatively made by Mr. Sherburne were fully approved and authorized.

Mr. Sherburne thereupon brought up the subject matter of the Monazite Sand contracts with the Travancore Minerals Company, London, and after a very thorough comprehensive discussion of same, it was deemed advisable to postpone any definite decision on this subject matter until the regular March meeting of the Board of Directors.

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Thereupon, Mr. Sherburne read the following proposal from Mr. C. R. Lindsay to purchase our building at 161 E. Grand Ave.:

"I will buy the building and real estate located at 161 E. Grand Ave., Chicago, owned by Lindsay Light Company for \$275,000.00, payable in Lindsay Light 7% preferred stock at par, and if the Company desires to lease same from me, will make a one, three, or five year lease at \$15,000 per year, they to assume all taxes, insurance, and repairs to building. If this is favorable to the Directors and legal, it can be acted on at once, but if lawyers think it should be submitted to a vote of the stockholders, it would be satisfactory to me."

After a thorough discussion of the matter, it was suggested that no decision be reached until the regular March meeting.

Thereupon motion duly made by Mr. R. E. Wilsey, seconded by H. N. McCoy, and unanimously approved, it was decided to withdraw our building at 161 E. Grand Ave., from sale. The officers were likewise authorized to vacate any floor and make diligent effort to rent same under the most favorable rental prices obtainable, if the manufacturing operations could be so arranged.

John M. Bernier
SECRETARY.

We, the undersigned, being Directors of the Lindsay Light Company, and having been present at the meeting of said Directors held on March 9, 1923, hereby certify that the foregoing record thereof is a true record and that we consent thereto.

John M. Bernier
John M. Bernier
H. N. McCoy
H. N. McCoy

We concur in the foregoing and ratify and approve the said records and the proceedings described therein.

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MARCH MEETING

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE LINDSAY LIGHT COMPANY
HELD AT THE OFFICE OF SAID COMPANY, 161 EAST
GRAND AVENUE, CHICAGO, ILLINOIS, ON TUES-
DAY, MARCH 18, 1924, AT THE HOUR OF 3 P. M.

Mr. Jos. M. Sherburne, President of the Company,
presided over the Meeting, and the Secretary of the Company,
Mr. Otto M. Berndt, acted as Secretary of the Meeting.

The following five Directors were present, viz:

Chas. R. Lindsay, Jr.
Jos. M. Sherburne
H. N. McCoy
Otto M. Berndt
Harry C. Beste

Same being five Directors of the Lindsay Light Com-
pany, thereby constituting a quorum.

As the first order of business, Mr. Sherburne re-
ported that we had paid all of our loans with the Central
Trust Company of Illinois and had taken out with the First
National Bank of Chicago, \$100,000.00 on demand notes and
\$50,000.00 on two four-month time notes. The Central Trust
Company returned Mr. Lindsay's personal guarantee on March
18, 1924, thereby relieving him from further financial re-
sponsibility.

Mr. Sherburne, thereupon, reported that we had made
payment to the Travancore Minerals Company on account of
penalty on Sand Contract. The first installment of one hun-
dred tons on the new Sand Contract has been shipped and is
now enroute.

It was likewise reported that a two-year lease on
the Monazite Plant, at the same rate, had been signed by the
officers.

Thereupon ensued a general discussion regarding
our future policy with reference to the sale of all electrical
fixtures.

There being no further business before the meeting,
the same, on motion duly made and carried, was declared ad-
journed.

Otto M. Berndt
SECRETARY

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We, the undersigned, being Directors of the Lindsay Light Company, and having been present at the meeting of said Directors held on March 18th, 1924, hereby certify that the foregoing record thereof is a true record and that we consent thereto.

Wm. T. Tuerburn
Herbert H. McCoy
Otto M. B. B.
Chas. R. Lindsay

We concur in the foregoing and ratify and approve the said records and the proceedings described therein.

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NOVEMBER MEETING

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF LINDSAY LIGHT COMPANY, DULY
CALLED AND HELD IN ITS OFFICE, 161 E. GRAND
AVENUE, CHICAGO, ILLINOIS, ON TUESDAY
NOVEMBER THE 24TH, 1925, AT THE HOUR OF 3 P.M.

There were five Directors present, viz:

C. R. Lindsay, Jr.
J. M. Sherburne
H. N. McCoy
H. C. Beste
C. R. Lindsay III

Same being five of the Directors of the Lindsay
Light Company, thereby constituting a quorum.

Mr. C. R. Lindsay, Jr. acted as Chairman and
Mr. C. R. Lindsay III as Secretary of the meeting.

Minutes of the September meeting were approved.

As the first order of business, Mr. C. R. Lindsay, Jr. brought up the name of Mr. Frederick J. Clifford to serve as a Director to fill the unexpired term of the late Otto N. Berndt. Mr. Sherburne nominated Mr. Clifford for this position and Mr. McCoy seconded this. Mr. Clifford was then unanimously elected by the Directors and the Secretary was instructed to notify him accordingly of this action.

The Chairman then proceeded to read a report to the meeting of his work, since August the 1st, while in charge of the Company's affairs. This reads as follows:

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November 24, 1925

- TO THE DIRECTORS OF LINDSAY LIGHT CO. -

Our regular October Meeting was omitted, as I was in New York at the time, but I sent each of you a statement showing our net worth as of September 30, 1925 to be \$334,788.34, after charging off for depreciation, bad debts, etc. \$77,532.18. For that Quarter our operating loss was \$6,039.89, which compares with \$16,778.58 for the corresponding quarter last year. Both of these losses are figured before depreciation, etc.

On my arrival in Chicago, July 26, I found instead of our business showing improvement, it showed an increase in losses; that our Second Quarter showed a loss of \$20,978.58 before deducting for depreciation, etc. This was the worst loss in any quarter we have had for years, so I decided to remain in Chicago and was put in charge of the business by the Directors at the July 28 meeting, until the annual meeting, January 1926, at which time the Directors for 1926 will be elected by the stockholders, and the Directors will then, in turn, elect the Officers.

During these four months radical changes have been made, overhead being reduced over \$60,000.00 annually, prices advanced on merchandise which showed little or no profit, residential electric line, of which we had an enormous stock, and which was and is one of the main causes for our losses, (thousands of dollars of which have been returned to us in the past few months and thousands of dollars worth of which we have disposed of at less than \$0.25 on the dollar) is being cut down to a small line of profitable merchandise most of which we shall manufacture ourselves, our New York Department has been turned into an office in place of an expensive branch, and when our present lease expires April 30, we will move into less expensive quarters.

Bankruptcy surely would have followed if these radical changes had not been made, and today I am pleased to report we owe the bank \$45,000.00 compared to \$90,000.00 last July and have a fair deposit in the bank instead of a continued overdraft as then.

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Our gas mantle business is comparatively good, manufacturing and selling about thirteen thousand (13,000) per day, which is about the same amount compared with the same period last year.

We have very little electric business direct with dealers and Public Service Corporations, but our business with Western Electric Company shows an increase, for the first ten months of this year, of 60%, compared with the same period last year and would show higher were it not for the residential electric fixtures which we were obliged to take back.

In chemicals we were fortunate in closing a contract with National Carbon Company for a by-product from our Monazite Sand, delivery to start March 1, 1926 at a 23% higher price. This will enable us to keep our Refinery going from now on at 100% increase in capacity for a year and a half. I, therefore, renewed our lease on the Illinois Street property for one year to May 1, 1927.

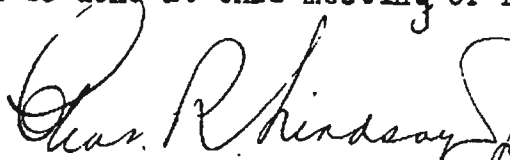
Our gross business during the past four months shows but 10% increase for the corresponding four months last year, and 40% of our total business is through Western Electric Company. The reasons our gross business has not proved more are that last year we sold more Thorium and considerably more in sundries, but what we are doing today is seven less salesmen. We have at present but five men selling. While our business with Western Electric Company is not so large as we had been led to expect, still, it shows a good continued increase.

I believe we are now making money for the first time in years and that this, our last quarter, will show a profit after charging off depreciation, etc., unless we reduce our inventory on the present stock of Thorium from \$2.50 per pound old cost to about \$2.02 per pound present cost, which is on account of making double the quantity of the Rare Earths, which we supply National Carbon Company; but even at the new cost of \$2.02 we figure the entire cost of the sand into the Thorium. If we make this depreciation of \$0.48 per pound, it will amount to about \$11,000.00. I recommend that this be done.

I have nothing of further importance to bring up at this meeting, so if there are any questions or suggestions

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to offer, I would be pleased to hear them. I might add that we will, in a short time, have to get out our proxies for the annual meeting and decide amongst ourselves as to the Directors and Officers for next year, so it is up to you as to whether it should be done at this meeting or regular December Meeting.

A handwritten signature in dark ink, appearing to read "Charles R. Lindsay". The signature is fluid and cursive, with a large initial "C" and "R".

Chairman - Board of Directors

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This report as submitted was given the full approval of the Directors.

The Chairman then suggested the advisability of cutting down the inventory value of Thorium in stock from \$2.50 per pound to \$2.02 per pound, based upon new cost of production data recently obtained. This cut he suggested as being effective in the next inventory of December 31st. Mr. Sherburne accordingly made the motion to lower inventory price of Thorium to present revised cost, figured on basis of 250% overhead, with the understanding that the actual figure would be definitely decided upon at the next meeting. Mr. Beste seconded this motion and was passed unanimously.

The Chairman then announced that he had received information that the Company would be able to secure about \$4,000.00 refund from the Government on 1918 taxes. He further stated that under a new court ruling, the Company might recover 1919 and 1920 tax refunds in addition. This ruling was to the effect "that invested capital cannot be reduced by taxes paid in previous years".

The Chairman then explained to the Directors that due to the recent failure of Gaites, Peace Company, Lindsay Light Company had definitely made arrangements to manufacture certain staple residential fixtures. He believed that by so doing, cost could be reduced very materially.

The Chairman brought up again the suggestion that the Company buy in on the open market a certain amount of its Preferred Stock. It was decided to defer decision on this until a later meeting.

There being no further business, the meeting was adjourned.

Chas. R. Lindsay
SECRETARY.

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We, the undersigned, being Directors of the Lindsay Light Company, and having been present at the meeting of said Directors held on November 24th, 1925, hereby certify that the foregoing record hereof is a true record and we consent thereto.

Chas. R. Lindsay

W. M. H. H. H.

Chas. R. Lindsay

We concur in the foregoing and ratify and approve the said records and the proceedings described therein.

JULY 1929 MEETING

MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF LINDSAY LIGHT COMPANY, DULY
CALLED AND HELD IN ITS OFFICE, 161 EAST GRAND
AVENUE, CHICAGO, ILLINOIS, ON TUESDAY, JULY
THE 18TH, 1929, AT THE HOUR OF 3 P. M.

The meeting was called to order by Mr. Chas. R. Lindsay, Jr., who acted as Chairman of the meeting, and Mr. Chas. R. Lindsay, III, acted as Secretary of the meeting.

Present:

Mr. M. W. Eichelberger
Mr. C. W. Stabenau
Mr. R. L. Little
Mr. H. C. Beste
Mr. C. R. Lindsay, Jr.
Mr. C. R. Lindsay, III.

Same being six of the Directors of Lindsay Light Company, thereby constituting a quorum.

Minutes of the previous meeting were approved.

As the first order of business, the list of repairs to be made at the Chemical Refinery was checked over and Mr. Little reported that everything agreed upon at the previous meeting had been taken care of.

Mr. Lindsay, Jr., then advised the Directors that we were negotiating with the Welsbach Company with a view of exchanging Thorium Nitrate for Brazilian Monazite Sand and if the right basis of exchange could be agreed upon, we would use Brazilian Sand in the future instead of Indian Sand. He went on to say that the very fact that the Thorium content was lower in Brazilian Sand would be advantageous because at the same time the Rare Earth Oxide content was equal or possibly greater than contained in the Indian Sand.

Mr. Lindsay, Jr., submitted a statement for the six months ending June 29, 1929, showing net earnings after Federal Tax of \$38,443.72 against \$21,547.64 for the same period of 1928. The statement was discussed by the Directors and unanimously approved. Mr. Lindsay, Jr., went on to say that these earnings were particularly gratifying, considering the fact that we spent on repairs at the Chemical Refinery this year approximately thirteen thousand dollars as against six hundred dollars during the first six months of last year,

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and that he did not anticipate that anywheres near this amount would have to be expended the last half of this year.

The question of securing a new lease for the Chemical Plant after the present one runs out which expires May 1931 was brought up by Mr. Lindsay, Jr., and thoroughly discussed by the Directors. It was finally moved by Mr. Beste, seconded by Mr. Stabenau, and unanimously passed that a new lease be secured not to exceed two years in duration.

On motion by Mr. Eichelberger, seconded by Mr. Beste, and passed unanimously, the Company was authorized to purchase Preferred Stock at \$10.00 per share. It was stipulated, however, that this authority could be rescinded at any time by the Directors.

There being no further business before the meeting, the same was declared adjourned.

Chas. R. Lindsay Jr.
SECRETARY

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We, the undersigned, being Directors of Lindsay Light Company and having been present at the meeting of said Directors held on July 18th, 1929, hereby certify that the foregoing record hereof is a true record and we consent thereto.

Chas. R. Lindsay

C. W. Stillman

Robert Little

Mark Weichelberger

Chas. R. Lindsay

I concur in the foregoing and ratify and approve the said records and the proceedings described therein.

DECEMBER 1931 MEETING

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF LINDSAY LIGHT COMPANY,
DULY CALLED AND HELD AT WEST CHICAGO,
ILLINOIS, ON TUESDAY, DECEMBER THE 22ND,
1931, AT THE HOUR OF 4:30 P. M.

The meeting was called to order by Mr. Chas. R. Lindsay, Jr., who acted as Chairman of the meeting. Mr. Chas. R. Lindsay, III, acted as Secretary of the meeting.

Present:

Mr. H. N. McCoy
Mr. R. L. Little
Mr. C. W. Stabenau
Mr. M. W. Zichelberger
Mr. C. R. Lindsay, Jr.
Mr. C. R. Lindsay, III.

Same being six of the Directors of Lindsay Light Company, thereby constituting a quorum.

Minutes of the previous meeting were approved.

As the first order of business, the Directors held a lengthy discussion regarding the advisability of installing six additional pots in addition to the twelve there and running these concurrently with the twelve now in operation on Illinois Street. It was finally decided, owing to the fact that a great deal of duplication would be necessary in the machinery, to run twelve pots in each place until we had sufficient stock ahead; then to run eighteen pots in West Chicago and six on Illinois Street; and finally move the six out to West Chicago, making a total of twenty-four in that place which number of pots were estimated to amply take care of next year's requirements on the basis of contracts at hand.

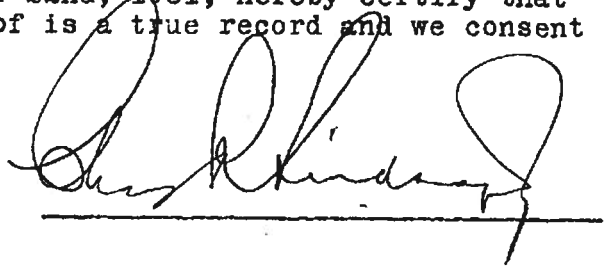
There being no further business before the meeting, the same was declared adjourned.

Chas. R. Lindsay, Jr.

SECRETARY

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We, the undersigned, being Directors of Lindsay Light Company and having been present at the meeting of said Directors held on December 22nd, 1931, hereby certify that the foregoing record hereof is a true record and we consent thereto.



C. W. Stabenau

Chas R. Lindsay

Robert L. Little

Mark Weicheltberger

I concur in the foregoing
and ratify and approve the
said records and proceedings
described therein.
